

G.C. FEDERATION OF AGRICULTURE
VERNON, B. C.

Address

By Colin G. Groat, Secretary
Canadian Federation of Agriculture

to the

40th Annual Convention

United Farmers of Alberta
Calgary

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Mr. Chairman,
Ladies and Gentlemen:

I want to thank Mr. Church for his kind introduction and to say that it is a great pleasure to be back among old friends in the Province of Alberta.

I bring you greetings from our President, Herb Hannam, who greatly regretted the fact that he could not be present with you at this meeting, since he has been in attendance at the annual conference of F.A.O. at Washington, as a member of the Canadian delegation.

I offer the congratulations of the Canadian Federation of Agriculture to the United Farmers of Alberta on the conclusion of 40 years of outstanding service to the people of Alberta.

We are happy to learn of the progress made in the efforts to bring about unity in the farm movement here, and we wish you all every success. May I presume to hope that the spirit of those pioneers whose courage and vision and faithful effort created unity 40 years ago, will dominate the meetings you are to hold in January.

I am proud indeed to be able to stand here tonight and tell you that I was privileged to be present at the original meeting 40 years ago. In my capacity of cub reporter on the Edmonton Journal, I was present at the interesting and historical meeting that took place nearly 40 years ago in the city of Edmonton, and I think my old friend Norman Smith was there too, at which the group of farmers who had been organizing and operating under the name of the Canadian Society of Equity joined up with the Alberta Farmers Association when both organizations declared their intention of joining forces, so that henceforth there should be but one farmers' organization in Alberta, which would be, in every sense of the word, the United Farmers of Alberta. That was a courageous step, and well worth while, for it was recognized by all that unity was essential if all the farmers were to be organized and to function successfully as an organization.

I doubt if the true significance of that episode was impressed upon me at the time, but there have been a good many times in recent years when my mind has harked back to that day in January, 1909, when we saw the real beginnings of things in the organized farm movement in Alberta, when the need for unity was so dramatically and effectively under-scored.

From that moment, in unity the farm movement grew and expanded and gave inspiration to the movement in other provinces. In unity the great farmers' marketing organizations were born and reared to proportions undreamed of even by those whose courage and vision brought them into being.

We look across Canada today and see strong united farm organizations in every province, and we know that it was in the spirit of unity that finally 13 years ago the farm movement in Canada was able to create the present national organization. With strong farmer membership bodies growing up in each province, unity in the larger

field of national affairs became an urgent necessity. And so we have the Canadian Federation of Agriculture, the national link binding together farm organizations in all the provinces of Canada.

United Farm Voice

The need for this had become sharply apparent. There was in existence no national medium through which the organized farmers of Canada could make their united voice heard in the councils of the nation. There was no single entity to which the national government could turn and say "This is the united voice of Canadian agriculture." There was no medium through which the various component parts of Canadian organized agriculture could find common ground; no common meeting place where grain growers and livestock producers and dairy farmers and fruit and vegetable growers and poultry producers could all come together to co-ordinate their viewpoints and unitedly join forces to advance the interests of the farming industry along the broad lines of national policy and national viewpoint, and to bring their combined strength to bear upon the solution of problems that are common alike to all those who till the soil and produce the food of the nation.

And so for 13 years we have had the Canadian Federation of Agriculture. For eight years we have had a national office and a national staff at the nation's capital. A small office and a small staff, it is true, but one that has been functioning every day, every week, year in and year out, on behalf of the farmers of Canada.

It has not been easy in these 13 years to build and hold together a national farm organization in a country so wide and with such a diversity of types of agriculture. There is a great necessity for a constant reconciliation of viewpoint among the component parts of the organization. We still have people who say that east is east and west is west and never the twain shall meet. We still have people who say that the grain growers and the livestock producers can never agree, and that neither of these have anything in common with those who grow fruit and vegetables. But for the most part those are people who never want to see the forces of agriculture united, who would be only too delighted to know that the movement was split into factious groups.

But our experience with the Canadian Federation of Agriculture to date has been that it has become one of the great unifying forces, not only within the farm movement itself, but in the entire national life of Canada. We can point with pride to the fact that it has been outstandingly successful in that role, a great tribute to the wise leadership and the statesmanlike approach to all problems by those who have been the Federation's leaders in the 13 short years of its life.

Federation Leads the World

We know, too, that we can look upon the Canadian Federation as the greatest single national farm organization of its kind anywhere in the world. We can say this with an assurance when we look across the border and realize that there are today in the United States four separate and distinct national farm organizations all

claiming to be the voice of organized agriculture. And I can tell you that the first time, the very first time, these four American organizations came together in any kind of joint meeting, was in April 1945 when the Canadian Federation of Agriculture brought them together in Washington to meet with the delegation from the British Farmers' Union to lay plans for the new world-wide Federation.

And I think we can fairly say that within its short life the Canadian Federation of Agriculture has attained a status and a prestige beyond anything that could have been hoped for by that little group of 75 farm leaders from across Canada who met in Toronto in 1935 to get the national organization under way. We do not make that statement boastfully, but on the basis of evidence that is before our eyes. Our national organization plays a part in national affairs today that is outstanding. It was not always thus. It is not so many years ago that organized farmers of Canada were standing on the outside looking in, with no invitation to enter. Indeed in some quarters they were looked upon almost with suspicion. They were not understood. They had to prove, through their national organization, that their objectives were broad and statesmanlike and in line with the national well being, and that the demands made from time to time were reasonable and just. Because the Federation has been able to do that, it is accepted in all circles on a basis of equality. The doors are not only open to us, but the welcome mat is out.

We do not always get what we want, or all we ask for. We never will, at least not all at once. But we do feel that the sum of Federation activities and accomplishments up to date add up to a very encouraging total. The progress we have made and the fact that today the Federation's viewpoint is sought on many matters of national policy affecting the farming industry, are due largely to the fact that the farmers' national organization has been able to maintain, week in and week out, a proper negotiating basis with all departments of government. I think that is vastly important for the farmers of Canada.

The fact that we had a strong and respected national organization functioning effectively, made it possible for the President of the Federation to be selected as a member of the Canadian delegation to the first world food conference of the United Nations called by President Roosevelt in 1943, and to be a member of the Canadian delegation in every year since then to the annual conferences of the United Nations Food and Agriculture Organization. Surely you will agree that that is a recognition of our national organization that is well worth while.

I think that it was very important for the farmers of Canada that, during the war years, our national organization had representation on 17 government advisory boards and committees.

Fought Tough Battle

It certainly was vastly important for the farmers of Canada that our national organization existed and was functioning effectively during the early years of the wartime price control, for its

influence was a very strong factor in bringing price control authorities finally to recognize that farmers' prices had been frozen at almost depression levels, that something had to be done about it, and that finally something was done about it. It so happened that I was with the prices board in those days, and I can remember that it was a tough battle to get the authorities to realize that price controls had caught the farmers with their prices down. In principle the farmer organization was opposed to subsidies, but when it was realized that subsidies had to be adopted, the Federation of Agriculture negotiated the subsidy program through step by step, whereby farmers' returns were brought up to a level more in balance with those of other walks of life.

It was very important to farmers of Canada, too, that when the war was over and the vast store of war assets being disposed of, our Federation was able to convince the government that it should have a representative at the headquarters of the War Assets Corporation to work out plans for the distribution of surplus trucks, etc., to farmers. It should be emphasized that we were the only organization in Canada to be granted that privilege.

I think it is important also that our national organization plays a very prominent part in the annual Dominion-Provincial production conference at Ottawa and has done so for a number of years. The executive committee of the Federation sits in at that conference and participates on exactly the same basis as the ministers and deputy ministers of agriculture of the various provinces. That's a different picture than it was a few years ago.

It is important, too, that the Federation has equal representation with the provincial departments of agriculture on the national agricultural advisory committee to the federal minister and the Canadian food board. This committee is made up of the various provincial deputy ministers of agriculture and eight representatives of the Federation, with the Federation president as Chairman, and myself as Secretary. This Committee is not a public committee and its recommendations are confidential to the Federal Minister of Agriculture. Nevertheless, we make our impact upon these recommendations in a very definite way, and in fact there is a surprising degree of unanimity in this committee. You would almost think sometimes that it was a meeting of the Board of Directors of the Federation.

I know that we are criticized in some places for our participation in a confidential committee of this kind, but I think you will agree with me that it is very important for the Federation to be on the inside in this manner with information placed at our disposal which could not be given to us on any other basis, but which makes it possible for the Federation to shape its own policies with very much greater wisdom and knowledge than could otherwise be the case.

All that I have been saying is surely some proof that our national organization is having what it has always been asking for, a very large degree of consultation in the shaping of agricultural policies of the nation.

Annual Policy Presentation

We have established as a tradition, the annual meeting between our Federation board and the Dominion cabinet, to make our annual presentation of policy and discuss it with the federal cabinet members on a basis of equality. This Annual affair is believed to be without precedent in any other nation. Mr. Flood, the agricultural attache at the American Embassy in Ottawa, sat in my office one day last spring shortly after our meeting with the cabinet, and had me describe that meeting for him. He was intensely interested, saying he believed that nothing like that happened in his country. We do not go to these meetings simply as another pressure group seeking to grab the most we can out of everything. The Federation's annual presentations have been models of reason and of statesmanlike utterances, and have been in each succeeding year the subject of high compliment from the Prime Minister and his colleagues.

In 1943 the Federation along with others, asked for a Canadian Food Board, and got it. In the early war years it fought for a more balanced program of farmers' returns, and got it. We asked for participation in the disposal of war assets and were granted it. We asked for an agricultural prices support Act and got it, with a board to administer it of which one member was named by the Federation.

We asked for a basic herd plan for livestock farmers in income tax, and got it. We asked for a system of averaging farm income over a period of years and we got it. We asked for an appeal board and we are going to get it, something that will provide a proper medium of appeal for all income taxpayers of all classes.

Three years ago we pressed for greatly improved weather reporting services, urging that the technique developed during the war be put to use in this connection, and we got it—to a considerable extent at least.

For eight years we have played a major part in building up the National Farm Radio Forum, a nation-wide project that has no equal as a farm study group radio program, anywhere else in the world.

Farm Radio Forum

I do not think that enough of our farmers in Canada realize what we have in that project, but I wish they could have been with us in some of our meetings in London, England, two years ago when we were organizing the IFAP, and heard the exclamations of admiration from every quarter about our Farm Radio Forum.

The other evening I attended a forum group near Ottawa, 48 people attending. Not all groups are anything like as big as that, but surely there is great inspiration in the thought that every Monday night during the fall and winter months we have nearly 2,000 groups of farm men and women from coast to coast meeting in farm homes, hearing the same program, discussing the same questions, debating the same farm problems. Surely here is a mighty force of organized farm opinion.

Now I've been saying a good deal about what the Canadian Federation of Agriculture is and what it has accomplished. I think you will agree with me that the directors of the Federation have reason to be proud of the progress they have made. We are not perfect. We know the Federation is not yet functioning to the full extent it could. It is still a young organization, and still growing.

There are many who say that the Federation is not militant enough, that it should show a lot more fight and aggressiveness. Well, it depends on what we mean by being militant. There is not much point in going around with a chip on our shoulders all the time, and continually being in an antagonistic mood towards everything and everyone. That kind of militancy soon loses all respect and therefore all its effectiveness. There is a time to be militant, but I think it is important to time that carefully, and that we make sure the issue we are going to be militant about is urgent enough to take such action, and further, that we make sure of being thoroughly united in our militancy.

Contact With Government

There are people, too, who tell us that we are too close to the government. One of our prominent farm leaders in the east made some very strong remarks about us in public along that line a couple of years ago. When we are in the position of having to work every day, week in and week out, with government officials on problems affecting the farmers, it is very difficult for us to avoid the charge that we are too close to the government. But I think it is a very unfair charge. We must work closely with government departments if we are going to get things done. It is a mighty important thing for our work in behalf of the farmers of Canada that our national office preserve, year in and year out, a proper negotiating basis with governments and their departments. This does not mean that we do not speak our mind when necessity arises. We have done that on occasions and done it very emphatically and with effect.

For all the progress we have made as a national organization, we have still a long road ahead of us. We are still a long way from attaining many of our objectives. The major tasks for organized agriculture are still ahead.

One of the things we realize in the national office, and a matter that gives us much concern, is that in spite of the fact that we have strong provincial organizations in most provinces, and strong local organizations affiliated with them, the lines of communication from the national office down through the provincial and local organizations to the man on the land are still pretty thinly drawn. This can be remedied only by closer communication between the component parts of our national organization, by more frequent meetings of our own national board, by a much closer working together. For this we need to keep increasing our national staff as we can find the finances to do it, in order that we may keep pace with the ever-increasing demand for services on behalf of the farmers, and keep in closer and more frequent touch with our member bodies throughout the Dominion, and in order that we may do justice to the tasks we are taking on from day to day.

Bridging a Gap

One of the major tasks confronting the Federation for the future is to do what we can to bridge the very wide gap that still exists between the thinking of the rural people and the thinking of the urban groups. To my mind there is still an appalling amount of misunderstanding of the farmer position and the farmer viewpoint by the urban people of Canada, and never has this been more apparent than in the approach to two particular issues that have been debated a good deal in public lately—namely, the ban on oleomargarine and the farmers' income tax. I don't think the average person in the cities and towns is actively or even passively antagonistic to the farming population. But there has been a good deal of antagonism, and I am sorry to say quite a little bitterness evident in some of the things that have been said publicly about these two issues.

In the field of farmers' income tax, there is a tremendous task still ahead of the Federation of Agriculture, not only with respect to bridging the gap of misunderstanding between urban and rural dwellers on this subject, but in the working out of problems with the income tax authorities. This is apparently a ceaseless job, for scarcely a week goes by in which the National office is not in conference with the income tax officials on some phase of farm tax. And the things that have been said about farmers and income tax by some of the city press, particularly the *Financial Post*, are even more bitter and more unfair than in the case of the oleo question.

Recently I got the latest figures from the income tax office on the number of farmers filing tax returns. Up to October of this year more than 210,000 farmers had filed returns covering the year 1946. Not all of these returns have yet been checked, but some 117,000 returns which had been filed by farmers up to April 30 had been checked, and of that 117,000 only 40,000 or about 34 per cent had been found to have taxable incomes.

What it has taken the income tax authorities apparently a long time to learn is that farming is a different kind of business than any other type of business in our country, that an entirely different set of conditions apply, and therefore an entirely different approach is needed.

It has seemed very difficult too, for many of our income tax officials who have chartered accountants' minds, to realize that it is utter nonsense to place before the average farmer a net worth statement or anything of that kind and expect him to understand it. This is not a reflection on the intelligence of the farmer, for there are thousands of citizens of all walks of life who throw up their hands every year at the ordinary income tax returns.

As an organization, the Federation believes in the principle of income tax as fundamentally sound and fair. We do not encourage our farmers to evade the income tax. In fact, we would emphasize that if farmers are to take advantage of the averaging system we asked for and got, then it is necessary for them to file a return every year. But we have had to fight against a long back-log of ill-will created in past years by officious income tax clerks and assess-

ers who had no sympathy with or any understanding of the farmers' peculiar problems.

I am glad to report that our relations with the income tax authorities are getting on to a far happier basis. The officials at headquarters are meeting us more than half way in trying to iron out the difficulties and problems of farm income tax. The department today is even making a sincere effort to get into their district offices officials with farm background who will be available to aid farmers in understanding what is necessary in the regulations and in meeting the requirements without all this grief and heart-burning we have been going through.

Perhaps the time is coming when the Federation national office will have to have a man specially qualified to deal with farm income tax problems.

In the general field of producer-consumer relations, there is still a vast area of misunderstanding and misrepresentation, and so long as that state of affairs exists, there is a big job ahead for the Canadian Federation of Agriculture. By and large, there has always been an under-lying attitude of sympathy, in a vague sort of way, on the part of urban people, for the farmer, and a sincere desire on the part of most people, for the farmer to get a square deal. But in recent years, the oleo question, plus the income tax issue, plus high food costs, plus a lot of misleading and unfair propaganda, has resulted in a serious deterioration in producer-consumer relations, and we think there is a very definite obligation on the Federation to help clear that up.

On the other hand, we feel that there is an obligation on the part of the general public in these matters, to do a little less careless thinking and a little more careful living. The whole trend of propaganda today in newspapers and magazines and some radio programmes and among many groups of city consumers, is against what they say is the high cost of food, and particularly the high prices of such essentials as milk and butter and bread and eggs.

These prices are high today, but they are not any higher, or even as high, as the level of prices in many other lines, or higher than the general level of wage rates in industry.

Farmers are getting good prices today, but these prices are not out of line with their high costs of production.

What seems to have been overlooked is that for 15 long years prior to 1945, the price level of foods, or farm products, was below the normal ratio of wage rates in industry and below the price level of many lines of goods the farmers had to buy.

In other words the Canadian people have been used to cheap food for so long that when they have to pay a price more in line with the real value of the product, there is complaint.

Food and Liquor Costs

We hear so much about the high price of milk and butter today, and how hard it is for families to buy these necessities of life. But

we ignore the fact that for every dollar we have been paying out for milk, we have been paying three for beer, and tobacco, in the last few years. The most recent figures tell us that in 1946 we paid out for alcoholic beverages and tobacco, four times as much as we did in the year before the war, but the increases in the sale of fluid milk haven't approached anything like those proportions. We paid out more than \$100 millions of dollars in 1946 for alcoholic beverages and tobacco and only 209 millions for fluid milk. Here are a few figures: Beer consumption increased 132 per cent between 1937 and 1947. Consumption of wine and spirits increased 91 per cent, fluid milk sales 38 per cent. In 1939 we spent 280 millions on liquor and tobacco, in 1946, 803 millions. In 1939 we spent 134 millions on fluid milk—in 1946, 209 millions. The output in the soft drink industry has more than tripled in recent years. The fluid milk industry has increased by less than half of its pre-war volume.

I am not one to deny the right of men and women to drink and smoke if they wish. But I submit that if we have 800 millions a year to spend for liquor and tobacco, surely we can have little complaint to make about the price of milk and butter.

The other day I read in the Ottawa papers that Calgary bricklayers were being paid \$1.60 an hour with a limit of 300 bricks a day. Farmers will be the last of all to begrudge workmen in industry a good wage rate, and I am sure no one here begrudges the bricklayers their high scale. But I could not help wondering what the cost of milk and butter would be if farm workers who are as skilled as bricklayers, were to be paid on the same sort of scale, or if they were to reduce their efficiency of production in the same way.

In the seemingly interminable warfare between capital and labour, the farmer often finds himself caught between the two, as for example, the packing house strike a year ago last September. We feel that organized agriculture has a right to some say in such situations, and in that respect there is a big job ahead for the Canadian Federation of Agriculture.

So long as Canadian agriculture lags behind in respect to its share of the national income, or with respect to its share of attention from the powers that be, there is a job for the Federation.

So long as rural health and medical services in Canada remain inadequate, so long as rural electrification and rural facilities generally, are not what they should be, there is a job ahead for the Federation.

So long as there is a possibility of bringing about a program of stabilization in agricultural prices and marketing there is a job for the Federation.

So long as there are forces at work, selfish and unscrupulous forces seeking to tear down and destroy the things we are trying to build, seeking to undermine our co-operative activities, using their influence to block policies that are in the interests of the

agricultural industry and of the national well-being in general, then there is certainly a job ahead for the Federation.

Must Be Strong

And if we are to measure up to these tasks that lie ahead of us, if we are to equip ourselves to deal with them effectively, then by all means must we be strong, and to be strong we must be united. It is absolutely essential that Canadian farmers continue to play their part in national affairs in a manner befitting worthy citizens of this nation. That is their right, a right which must be exercised. But to do so we must be united.

The Canadian Federation of Agriculture is not just a little office away down in Ottawa, with Herb Hannam and I and one or two others. The Canadian Federation of Agriculture is all of you people out here in Alberta; all of the farm people over there in B.C., down in the Maritime Provinces, out in Saskatchewan and Manitoba, and in Quebec and Ontario. Only as you are strong and united in your local organizations and in your provincial organizations can your national organization be strong.

Unity must be the keynote for the future. Let's hope that the spirit of unity that was born so dramatically in that meeting in Edmonton 40 years ago, continues to grow and prevail in our farm movement in the years to come. As an old friend of mine in Nova Scotia is fond of telling his farm audiences:

"Who can be stronger than we are, if we are united?"

